

Understanding the Evolving Focus and Success Measures of Financial Wellbeing Programs

Introduction

Being able to identify the issues that employer-sponsored financial wellness programs are meant to address — as well as evaluating the success of these programs — is critically important for employers seeking to justify associated costs. According to the 2022 Employee Benefit Research Institute (EBRI) Financial Wellbeing Employer Survey (FWES), the most common reasons employers cite for offering financial wellness programs are to increase worker satisfaction and to improve employee retention.¹ However, the top issues that financial wellness programs are designed to address, as well as the factors used to measure the success of the programs, have evolved quickly. This *Fast Fact* explores this evolution from 2020 to 2022.

Methodology

The 2022 EBRI Financial Wellbeing Employer Survey was collected through a 15-minute online survey of 250 full-time benefits decision makers conducted in June and July 2022. All respondents worked full time at companies with at least 500 employees that were *at least interested in offering* financial wellness programs. The 2020 and 2021 surveys had the same methodology and were fielded at the same time of the year.

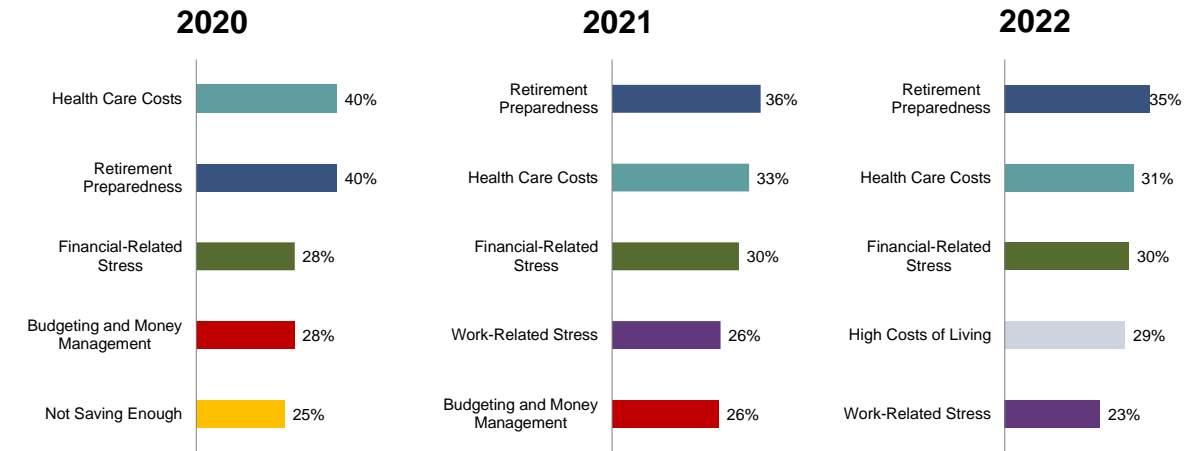
Respondents were required to have at least moderate influence on their company's employee benefits program and selection of financial wellness offerings. Additionally, respondents were required to hold an executive, officer, or manager position in the areas of human resources, compensation, or finance.

Greater Focus on Topics of Immediate Concern to Employees

Companies have consistently reported that the top issues their financial wellness initiatives are designed to address are retirement preparedness, health care costs, and financial-related stress (Figure 1). However, looking further, the FWES finds that while in 2020, addressing specific financial tasks such as budget and money management and not saving enough ranked in the top five of reported issues, this has changed more recently. In 2021, work-related stress emerged as a top-five issue, and in 2022, it was joined by high costs of living. This movement corresponds with a greater focus on worker satisfaction, as reducing work-related stress and addressing topics of immediate concern helps employees feel better in their current situation.

¹ See Copeland, Craig, "[2022 EBRI Financial Wellbeing Employer Survey: Employee Satisfaction and Retention a Primary Focus](#)," *EBRI Issue Brief*, no. 573 (Employee Benefit Research Institute, October 27, 2022), for the full results from the 2022 survey.

Figure 1
Top Issues Financial Wellness Initiatives Are Designed to Address



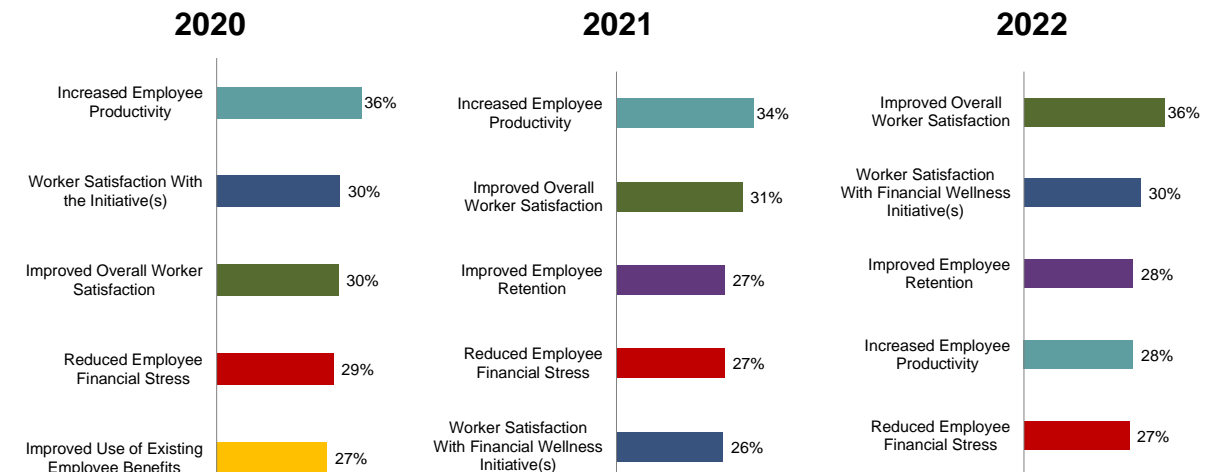
What are the top three issues faced by your employees that your financial wellness initiatives are designed to address? Please select your top three reasons. (n=250)

Source: Employee Benefit Research Institute Financial Wellbeing Employer Survey, 2020-2022

Worker Satisfaction Increasingly Prominent Success Measure

Factors used to measure financial wellness initiatives success have also evolved. In 2022, the top measurement factors were improved overall worker satisfaction, worker satisfaction with financial wellness initiatives, and improved employee retention (Figure 2). While increased employee productivity tied improved employee retention for the third most cited success measurement factor, this is a dramatic change from 2020 and 2021, when increased employee productivity was cited the most often. Improved employee retention was not even ranked among the top five factors in 2020. The prominence of worker satisfaction was found in 2022 across all companies regardless of size, number of benefits offered, who paid for the benefits, or industry.

Figure 2
Top Factors in Measuring Financial Wellness Initiatives' Success



What are the top three factors that are or will be important in the measurement of your financial wellness initiatives? Please select your top three. (n=250)

Source: Employee Benefit Research Institute Financial Wellbeing Employer Survey, 2020-2022

Conclusion

Financial wellness programs continued to expand in 2022, according to the results of EBRI's Financial Wellbeing Employer Survey. Companies are strongly focused on these programs' impact on worker satisfaction and retention in a way not evident just two years ago. At the same time, employers are still seeking to show the impact of financial wellbeing programs on the bottom line in terms of increased productivity — likely tied to the fact that the costs of financial wellness programs continue to increase.

The continued evolution of financial wellness programs is a crucial question going into 2023. As these programs grow in value to employees and are used for attraction and retention, the expectation that they will be provided will only increase. At the same time, an economic recession could turn the tide as employers seek to cut costs. Regardless of the economic situation, the value of these benefits will be measured in some manner. As a result, developing metrics to evaluate financial wellbeing initiatives will be expected and needed to determine those most effective to employees and, by extension, employers.